

## **EXHIBIT 1**

### **INTRODUCTION**

Respondent Julie Lopez Dad has been a planning commissioner for the City of Santa Monica since July 5, 2000. As a planning commissioner, Respondent was required by sections 87200 and 87203 of the Political Reform Act (the “Act”)<sup>1</sup> to file an annual statement of economic interests (“SEI”) disclosing the economic interests that she held during the preceding calendar year.

In this matter, Respondent failed to timely file a 2004 annual statement of economic interests by the April 1, 2005 due date and failed to timely file a 2005 annual statement of economic interests by the April 3, 2006<sup>2</sup> due date. For the purposes of this Stipulation, Respondent’s violations are stated as follows:

**COUNT 1:** As a planning commissioner for the City of Santa Monica, Respondent Julie Lopez Dad failed to timely file a 2004 annual statement of economic interests by April 1, 2005, in violation of section 87203.

**COUNT 2:** As a planning commissioner for the City of Santa Monica, Respondent Julie Lopez Dad failed to timely file a 2005 annual statement of economic interests by April 3, 2006, in violation of section 87203.

### **SUMMARY OF THE LAW**

In order to avoid conflicts of interest, Section 81002, subdivision (c) provides that the assets and income of public officials, which may be materially affected by their official actions be disclosed so that conflict of interests may be avoided.

Section 87200 lists the specific public officials who are required to file an SEI under the provisions of the Act, including members of planning commissions. Section 87203 states that each person holding an office listed in section 87200 must file an annual SEI disclosing investments, business positions, interests in real property, and income held since the previous SEI was filed.

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<sup>1</sup> The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. Commission regulations appear at Title 2, California Code of Regulations, section 18109, *et seq.* All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

<sup>2</sup> When a deadline to file a statement or report required by the Act falls on a Saturday, Sunday or official state holiday, the filing deadline for such a statement or report shall be extended to the next regular business day (Regulation 18116.) April 1, 2006 was a Saturday. The filing deadline for annual SEI’s in 2006 was Monday, April 3, 2006.

## **SUMMARY OF THE FACTS**

### **COUNT 1**

#### **Failure to File 2004 Statement of Economic Interest**

On July 5, 2000, Respondent Julie Lopez Dad assumed office as a member of the Santa Monica Planning Commission. As a planning commissioner, Respondent Dad is required to file an annual SEI with the Santa Monica City Clerk reporting disclosable economic interests that she held in the preceding calendar year. Respondent Dad was required to file her 2004 annual SEI on or before April 1, 2005.

On March 1, 2005, Santa Monica City Clerk Maria M. Stewart sent a memorandum to Respondent Dad, and other Santa Monica city officials, advising that the deadline for filing their 2004 annual SEI was April 1, 2005. Despite this notification, Respondent failed to file her 2004 annual SEI by the April 1, 2005 due date, in violation of Section 87203.

On May 18, 2005, the Commission's Technical Assistance Division (the "TAD") sent a letter to Respondent Dad, stating that her 2004 annual SEI was past due, and requesting that it be filed within 30 days. On June 29, 2005, after receiving no reply from the Respondent, the TAD sent a second letter to Respondent Dad, again stating that her SEI had not been received, and urging her to file the statement immediately.

On July 25, 2005, when Respondent still had not filed the delinquent SEI, the TAD referred the matter to the Commission's Enforcement Division. On August 16, 2005 and again on August 22, 2005, Enforcement Division Staff left a voice mail message at Respondent Dad's place of business advising Respondent that she needed to file her delinquent 2004 annual SEI.

On August 24, 2005, Respondent Dad telephoned Enforcement Division Staff indicating she intended to comply. On September 26, 2005 and on January 16, 2006, Enforcement Division Staff contacted Respondent Dad by letter, advising her that the 2004 annual statement of economic interests was past due and instructing her to file the statement.

Respondent Dad filed her 2004 annual SEI with the City of Santa Monica on December 30, 2005.

### **COUNT 2**

#### **Failure to File 2005 Annual Statement of Economic Interest**

On March 1, 2006, Santa Monica City Clerk Maria M. Stewart sent a memorandum to Respondent Dad, and other Santa Monica city officials, advising that the deadline for filing their 2005 annual SEI was April 3, 2006. Despite this notification, Respondent failed to file her 2005 annual SEI by the April 3, 2006 due date, in violation of Section 87203.

On May 5, 2006, the Commission's Technical Assistance Division (the "TAD") sent a letter to Respondent Dad, stating that her 2005 annual SEI was past due, and requesting that it be filed within 30 days. On June 9, 2006, after receiving no reply from the Respondent, the TAD sent a second letter to Respondent Dad, again stating that her SEI had not been received, and urging her to file the statement immediately.

On June 21, 2006, when Respondent still had not filed the delinquent SEI, the TAD referred the matter to the Commission's Enforcement Division. As part of this Stipulation, Decision and Order, Respondent filed her 2005 annual SEI.

### **CONCLUSION**

This matter consists of two counts of violating Section 87203, which carries a maximum possible administrative penalty of Ten Thousand Dollars (\$10,000). Under the SEI Expedited Procedures adopted by the Commission in July 1999, the approved administrative penalty for an individual who files a delinquent SEI within 30 days of being contacted by an Enforcement Division investigator is between Two Hundred and Three Hundred Dollars (\$200-\$300). The approved administrative penalty for an individual who does not file a delinquent SEI until after being contacted by an Enforcement Division attorney is between Four Hundred and Six Hundred Dollars (\$400-\$600). A higher penalty, between Seven Hundred and One Thousand Dollars (\$700-\$1,000), is warranted when the Enforcement Division must initiate probable cause proceedings, issue an Accusation, and personally serve the Accusation on the respondent. A substantial penalty ranging up to the maximum penalty of Five Thousand Dollars (\$5,000), is warranted when the Respondent had previously been issued a warning letter, or had a prior enforcement fine, as in this case.

Respondent Dad was fined \$1,000 in 2003 for failing to file her 2000 annual SEI. In that matter, Respondent Dad did not file the SEI until an Accusation was personally served upon her. In this matter Respondent Dad disregarded numerous notifications regarding her duty as a public official to file her 2004 annual SEI. Despite this history, Respondent Dad disregarded numerous notifications regarding her duty to file her 2005 annual SEI. In light of these factors, a penalty in the mid-range of \$2,500 per count is appropriate.

Therefore, the imposition of a total administrative penalty of Five Thousand Dollars (\$5,000) is justified.